



We are in receipt of your letters alleging insurance “defaults” with respect to the Generations and Parkside Real Properties. After reviewing the Liberty Mutual policies and the factual record, we must reject these allegations in their entirety. The policies in place provide the coverage required under the Stipulations, and your letters mischaracterize the terms and operation of those policies.

1. Liability Coverage – Misrepresented

Your claim that liability insurance applies only to “64 of 72 units” at Generations and “32 of 36 units” at Parkside is false. Liability coverage under the Liberty Mutual Commercial General Liability policy extends to the **entire premises and all operations** at the insured locations. Unit counts are for underwriting and rating purposes only; they do not define or limit coverage. Suggesting otherwise misrepresents how liability insurance functions.

2. Classifications – Correct as Written

You allege that square footage and use classifications are “incorrect.” This is not true. The policy classifications were established in accordance with ISO standards and accepted by Liberty Mutual. They accurately reflect the nature of the insured risk and do not diminish coverage. Even if the Bank disagrees with Liberty Mutual’s underwriting language, that does not create a default under the Stipulations.

3. Named Insureds – Explicitly Included

You state that Generations on 1st, LLC and Parkside Place, LLC are not named insureds. This ignores the endorsement at page 35 of the policy, which clearly amends the declarations to include The Ruins, LLC, Generations on 1st, LLC, and Parkside Place, LLC as named insureds. This endorsement governs. To claim otherwise is inaccurate.



4. Bank's Pattern of Overreach and Misrepresentation

These notices must also be understood in light of the Bank's prior conduct. In September 2024, Vice President Charles Aarestad personally visited our office with black-and-white photographs he claimed showed "water damage" at The Ruins property. When advised that the images reflected ordinary construction conditions and not water damage, he insisted otherwise and represented that he had "hundreds" of additional photos — which were never produced.

Despite being informed that only the insured has the authority to submit a claim, Mr. Aarestad nonetheless attempted to file a claim directly with Liberty Mutual, contrary to the insured's wishes. Liberty Mutual promptly closed the matter because it was not properly authorized. I am not sure what Charles' goal was with this, in my 20 years in business I have never seen anything like it. It really seems like he was trying anything he could do to discredit the insured.

5. No Default Exists

The Liberty Mutual policies provide valid, continuous, and compliant coverage for Generations, The Ruins and Parkside Real Properties. Liability coverage applies to the entirety of each property; the classifications are proper and accepted by the carrier; and all necessary entities are named insureds by endorsement. There has been no lapse, no deficiency, and no default under the Stipulations.

Chris Kottsick, Agency Principal

Summit Insurance Agency, LLC